

February 2nd, 2010

Senator Charles Schumer
Chairman, Committee on Rules and Administration
United States Senate
Washington, D.C. 20510

Dear Chairman Schumer and Ranking Member Bennett:

We write to offer our perspective on the Committee on Rules and Administration hearing, **“Corporate America vs. The Voter: Examining the Supreme Court’s Decision to Allow Unlimited Corporate Spending in Elections.”** We ask that this letter be included in the record of the hearing.

In his 2010 State of the Union address, President Obama expressed his commitment to protecting the public from the egregious overreach made by the Supreme Court in *Citizens United v. FEC*. Now the burden falls to Congress to follow the administration’s lead and act decisively to pass a legislative solution which will stop corporations from buying the next election.

It is clear that the courts have left us room to do so, and do so in time to impact the 2010 elections.

On January 21st, the Supreme Court turned our political system on its head with the Citizen’s United decision. With a shocking lack of respect for judicial modesty and precedent, the court granted corporations virtually unfettered influence over federal elections.

In addition, in reaching this decision, the court not only turned back the clock on over 60 years of precedent, but also endowed corporations—artificial entities created by people for economic activity--the same right to influence campaigns as you and I.

A corporation is not, nor has it ever been, a person with voting rights. The idea that they can now channel their immense wealth to advocate directly for or against a federal candidate is abhorrent.

To put this in perspective, total spending on federal elections in 2008 was more than \$3 billion from political parties, outside groups, candidates, and PACs. While that is a lot of money, Exxon Corporation alone made over 45 Billion dollars in profit in 2008, which can now be directed at our federal candidates.

For any given Congressperson, the threat of tens of millions of dollars of attack ads will make it far more challenging to vote their conscience on the issues that matter to the public.

A strong package of statutory reforms as a practical short term solution to this problem is imperative. We ask that the members of this committee work to support and strengthen the legislative solutions bill which will be introduced shortly with the support of the administration.

The reforms we need immediately in the wake of this decision are *stronger disclosure laws, tough limits to the spending power of federal contractors and foreign corporations, required shareholder approval of political expenditures by corporations, and increased coordination limitations between party and corporate spending.*

Shareholders and the public have a right to know exactly how corporations are spending their funds to influence elections and causes, and should have to gather express approval of their individual public shareholders prior to spending political money. Foreign corporations, and those that take large amounts of government money, should not be allowed to influence elections at all.

The Supreme Court's decision in this matter shows a deplorable lack of respect for precedent and represents a dark day for democracy in America. Once we've stopped the worst consequences of this decision, our attention must be turned to systemic reform, to creating a system for our elections which is wholly free of corporate money.

U.S.PIRG urges you and the committee members to support the package of legislative solutions that will soon be introduced, as well as to seek to make them as strong and punitive as possible to stop the flow of corporate money into our federal elections system.

Sincerely,
Lisa Gilbert
U.S.PIRG Democracy Advocate